

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

In re:

Case No. 10-67143

MEM INVESTMENTS, LLC, *et al.*,
Debtors.

Chapter 11
(Jointly Administered)¹

Judge Thomas J. Tucker

ORDER REQUIRING DEBTORS TO AMEND DISCLOSURE STATEMENT

On May 23, 2011, the Debtors filed an amended plan and disclosure statement, in a document entitled “Debtors’ Amended Combined Joint Plan of Reorganization and Disclosure Statement Under Chapter 11 of the Bankruptcy Code” (Docket # 181). The Court cannot grant preliminary approval of the disclosure statement contained within this document (“Disclosure Statement”). The Court notes the following problems, which Debtors must correct.

First, the Court’s order entitled “Order Requiring Debtors to Amend Disclosure Statement” entered on May 16, 2011 (Docket # 177) required Debtors to “state the amount of the administrative claim of each entity or person, if known, and **if unknown, state Debtors’ best estimate of the amount of the claim**” (emphasis added). Debtors did not comply with this part of the Court’s May 16 Order. Debtors’ Plan states in Article II, Paragraph 2.3 on page 9:

The Debtors anticipate that Professional Compensation and Reimbursement Claims will be filed by Gold, Lange & Majoros, P.C., the Debtors’ attorneys, The Kallas Company, the Debtors’ accountants, Fred Grodon, P.C., the Debtors’ special counsel, Ted Farmer, the Debtors’ special tax counsel, and Honigman, Miller, Schwartz and Cohn, LLP, counsel to the Committee. **The Debtors**

¹ This case is being jointly administered with the cases of Post Six, Inc. (Case No. 10-67149); S&J Post, Inc. (Case No. 10-67151); Real Entertainment, LLC (Case No. 10-67153); The Elephant, Inc. (Case No. 10-67154); Entertainment Holdings, LLC (Case No. 10-67155); and BCB Development Associates, LLC (Case No. 67162).

do not, at this time, know the amount of these claims.”

(Emphasis added). Because Debtors say they do not know the amount of the claims of each entity or person listed above, Debtors must estimate, as best they can, the amount of the claim of each entity or person listed above.

Second, in Article III of the Disclosure Statement on page 11, regarding the secured claim of Citizens Bank, Debtors must identify the collateral that secures the claim, and state the value of that collateral.

Third, Debtors must delete Exhibit VI (Liquidation Analysis)(located on pdf pages 88 and 89 of Docket # 181.) This Exhibit is not listed in the Table of Exhibits on pdf page 83, and as stated in Debtor’s Disclosure Statement on page 21 (pdf page 26), Debtors’ Liquidation Analysis is at Exhibit E (on pdf pages 100 and 101).

Fourth, regarding Exhibit G, Debtors must:

- reorganize Exhibit G so that all of the financial information for each entity is together on consecutive pages and in chronological order.
- change the designation “Post Bar - Ferndale” on the financial information provided on pdf pages 117-119 to the actual name of the entity.
- provide financial information for BCB Development Associates, LLC. (Currently, there is no financial information on this entity unless the financial information with the designation “Post-Bar - Ferndale” is for that entity. In such case, changing the name to the actual entity’s name will correct this problem.)

Accordingly,

IT IS ORDERED that Debtors must file, no later than **June 2, 2011**, an amended combined plan and disclosure statement which corrects the above stated problems.

IT IS FURTHER ORDERED that Debtors also must provide to Judge’s chambers, no

later than **June 2, 2011**, a redlined version of the amended combined plan and disclosure statement, showing the changes Debtors have made to “Debtors’ Amended Combined Joint Plan of Reorganization and Disclosure Statement Under Chapter 11 of the Bankruptcy Code” (Docket # 181), filed May 23, 2011. Debtors must submit this redlined document to chambers electronically, through the Court’s order submission program.

Signed on May 28, 2011

/s/ Thomas J. Tucker
Thomas J. Tucker
United States Bankruptcy Judge